

NEWS RELEASE

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For Immediate Release

FORMER OWNER OF HEALTHCARE AGENCY SENTENCED TO FEDERAL PRISON

St. Louis, MO: Jacqueline Hayes was sentenced to 48 months imprisonment for healthcare fraud, failure to pay employment taxes and misuse of a social security number, United States Attorney Catherine L. Hanaway announced today. Hayes was ordered to pay \$545,713 in restitution. Complete Care of American was placed on probation for five years and ordered to pay \$618,784 in restitution.

“Health care fraud such as this has multiple victims. The resources of the Medicaid program, designed to serve the indigent were diverted from worthy recipients, and the clients of this corrupt company received care from unqualified and unlicensed providers,” said Hanaway.

From 1999 to 2005, Hayes operated Complete Care of American which provided homemaker and personal care services to elderly and disabled clients in their homes. In her plea agreement last January, Hayes admitted to a broad scheme to defraud the Medicaid program, which provides health care services for the indigent. As part of the scheme, Hayes falsely attested to the training and certification of numerous employees and also orchestrated the submission of false claims for services – often submitting claims and receiving reimbursements for services when no services had been rendered. This scheme resulted in a loss to the Medicaid of over \$545,713.

Additionally with her plea, Hayes admitted to failing to pay more than \$73,000 in federal taxes she withheld from her employees’ paychecks over six quarters. These amounts were intended to fund the employees’ contributions to, among other things, the Social Security trust fund and the Medicare program. Hayes also admitted to using a false social security number in a bank application.

Hayes, 53, of the 10300 block of Prince, St. Louis County, pled guilty last January and appeared

today for sentencing before United States District Judge Stephen N. Limbaugh.

Co-defendants, Gwendolyn Silvers, 57, St. Louis, and Chante M. Hayes, 29, St. Louis County, were both convicted in February of one felony count of healthcare fraud. Silvers was also convicted of twelve felony counts of making false statements involving a healthcare benefit program, i.e. Medicaid. In addition to the conspiracy count, Chante Hayes was convicted of one count of making false statements. Both will be sentenced in April.

Hanaway commended the investigative work on the case by the Federal Bureau of Investigation, Internal Revenue Service Criminal Investigation, Social Security Administration Office of Inspector General, and the Missouri Department of Health and Senior Services. Assistant United States Attorneys Dorothy McMurtry and Tom Albus are handling the case for the U.S. Attorney's Office.